

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION

Call to Order: By **CHAIRMAN JOAN ANDERSEN**, on March 24, 2003 at 3:15 P.M., in Room 137 Capitol.

ROLL CALL

Members Present:

Rep. Joan Andersen, Chairman (R)
Rep. Larry Lehman, Vice Chairman (R)
Rep. Norman Ballantyne (D)
Rep. Norma Bixby (D)
Rep. Gary Branae (D)
Rep. Carol Gibson (D)
Rep. Verdell Jackson (R)
Rep. Bob Lake (R)
Rep. Clarice Schrupf (R)
Rep. Pat Wagman (R)

Members Excused: Rep. Kathleen Galvin-Halcro, Vice Chairman (D)
Rep. Bob Lawson (R)
Rep. Joe McKenney (R)

Members Absent: Rep. Nancy Fritz (D)

Staff Present: Eddy McClure, Legislative Branch
Mari Prewett, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. The time stamp in these minutes appears at the end of the content it refers to.

Committee Business Summary:

Hearing & Date Posted:
Executive Action: SB 441, SB 380, SB 120

EXECUTIVE ACTION ON SB 441

Motion: REP. BALLANTYNE moved that SB 441 BE CONCURRED IN.

Motion: REP. LEHMAN moved that SB 441 BE AMENDED.

EXHIBIT (edh62a01)

Discussion:

Eddy McClure, Legislative Services explained the amendment and how it effected the bill to the Committee, attached as Exhibit 1.

REP. BALLANTYNE stated that SB 441 would be one way to help Browning construct new buildings to alleviate their overcrowding problems. He continued that it was not an entirely new idea as it was already being done in Arizona. He pointed out that SB 441 did not impact the State's budget.

Vote: Motion carried 14-0 by voice vote with REPS. FRITZ, GALVIN-HALCRO, LAWSON and MCKENNEY voting aye by proxy.

Motion: REP. LAKE moved that SB 441 BE CONCURRED IN AS AMENDED.

Discussion:

REP. LAKE stated that he would vote for the bill. He went on to say that it was a good bill and allowed the school districts to be legal.

CHAIRMAN ANDERSEN asked Gwyn Andersen if they could currently use impact aid, and if SB 441 would add legality **Ms. Andersen** explained that they could use a portion of impact aid to pay for general obligation bonds. However, general obligation bonds were repaid by levying a tax on the people of the community. **Ms. Andersen** continued by talking about the percentage of impact aid funds that could be used to pay general obligation bonds and what they would like to be able to do with the impact aid funds.

CHAIRMAN ANDERSEN asked Ms. Andersen if using 25 percent of their impact aid to repay the bonds took away from the educational purposes the money could be used for. **Ms. Andersen** replied that there would be a large number of people looking at the situation and determining what would be best for the school district. She went on to discuss how the law currently read and the safe guards that were in place.

REP. LEHMAN asked Ms Andersen if the bill applied only to reservations where there was very little personal property tax value. **Ms. Andersen** responded that there were numerous schools in the State of Montana that received impact aid dollars and named several of them.

There was general discussion on the various schools that could be affected by SB 441.

REP. LEHMAN asked Ms. Andersen if they were to pass a general obligation bond would the tax burden fall on a minimal number of people. **Ms. Andersen** indicated that he was correct.

Vote: Motion carried 14-0 by voice vote with **REPS. MCKENNEY, LAWSON, FRITZ AND GALVIN-HALCRO** voting aye by proxy.

REP. BALLANTYNE will carry SB 441 on the floor of the House.

{Tape: 1; Side: A; Approx. Time Counter: 0 - 19.3}

EXECUTIVE ACTION ON SB 380

Motion: **REP. LAKE** moved that SB 380 BE CONCURRED IN.

Discussion:

REP. LAKE stated he felt it was a great way to educate.

REP. BRANAE asked if the legislation was necessary. **Ms. McClure** explained that there was a law allowing credit unions to go into schools but not banks.

REP. JACKSON asked if the project would be authorized by the Board. **CHAIRMAN ANDERSEN** referred to the bill and pointed out the section which stated that a student banking institution would have to be backed by the schools Board of Trustees. She continued that she felt it was clearly spelled out in the bill.

REP. FRITZ arrived at the hearing.

REP. LEHMAN stated that he would vote against SB 380. He went on to say that he saw it as another intrusion by outside interests into the academic day of the school. **REP. LEHMAN** explained his reasons and added that he felt it placed added burdens on the teachers and the schools.

REP. GIBSON spoke in support of SB 380.

REP. JACKSON stated that after having done research and having worked with projects involved with the stock market he felt it would be good for the kids.

{Tape: 1; Side: A; Approx. Time Counter: 19.3 - 28.2}

REP. BALLANTYNE remarked that the program could be very beneficial to the students. He further commented on the fact that the program would be optional and not mandated.

REP. LAKE referred **REP. LEHMAN** to Section 1, Subsection 3, wherein the bill stated that the student bank would be advised by but not owned by the bank. He continued that it would not be a charter bank or a branch bank that would be in the school.

CHAIRMAN ANDERSEN commented that if there was not a banking institution that was interested in putting a student bank in the school it would not occur.

Vote: Motion carried 13-1 by roll call vote with **REP. LEHMAN** voting no and **REPS. GALVIN-HALCRO, MCKENNEY** and **LAWSON** voting aye by proxy.

REP. LAKE will carry SB 380 on the floor of the House.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 4.5}

EXECUTIVE ACTION ON SB 120

Motion: **REP. JACKSON** moved that SB 120 BE CONCURRED IN.

Motion: **REP. JACKSON** moved that SB 120 BE AMENDED.

EXHIBIT (edh62a02)

Discussion:

REP. JACKSON discussed his amendments and how they would affect the bill.

Eddy McClure, Legislative Services, clarified the amendments for the Committee.

REP. LEHMAN asked **REP. JACKSON** if his Amendment 3 was opening things up to include custodial staff, bus drivers and secretaries. He went on to say that his interpretation of the amendment was that the field would be opened to any employee of the school district. He continued that would cause problems with

the Teachers Retirement System and the Public Employees Retirement System. **REP. JACKSON** responded that it was their intent that it would not cover classified staff.

There was further discussion as to the intent of the amendment, what the amendment actually said and how to correct it.

REP. BRANAE pointed out several areas he considered to be problems and asked what could be done to rectify them. A general discussion took place between Ms. McClure, CHAIRMAN ANDERSEN, **REP. JACKSON** and **REP. BRANAE** regarding the problematic language.

REP. LAKE asked if a school district Board had the right to contract services with anyone they wanted to. **REP. FRITZ** responded that under collective bargaining agreements, written up between trustees and employees, there would be stipulations about what would happen when people were hired. She continued that there was security within the school districts. She went on to say that it could be done, however, but not until such time as a collective bargaining contract had run out.

There was further discussion on contracted services between **REP. LAKE**, CHAIRMAN ANDERSEN and **REP. BRANAE**.

REP. LEHMAN asked David Senn if **REP. JACKSON'S** amendment addressed any of their concerns regarding the bill. **Mr. Senn** responded that it only partially addressed their concerns and explained why.

REP. GIBSON remarked that she felt the amendment would be dangerous to the Teachers Retirement System and, therefore, would not vote for it.

REP. FRITZ asked Mr. Senn if he felt that more administrators would be hired than teachers and specialists under SB 120. **Mr. Senn** replied that it would be his guess that it would be more administrators.

REP. FRITZ asked Mr. Senn if it would create problems in the schools in that, under the bill, they would be able to hire back teachers that would still be tenured. **Mr. Senn** replied that he did not have the information to answer the question.

CHAIRMAN ANDERSEN asked Mr. Senn if a teacher only taught one-third time their whole career, if in fact they would have to work seventy-five years to have twenty-five years of credible service.

Mr. Senn replied that she was correct and went on to explain how the retirement system figured time worked.

{Tape: 1; Side: B; Approx. Time Counter: 4.5 - 28.9}

The beginning of this tape was inaudible.

REP. LAWSON arrived at the hearing.

REP. JACKSON explained that through his amendment they had taken care of the cost and, therefore, there would not be any measurable impact on the retirement system.

Vote: Motion failed 6-8 by roll call vote with REPS. GALVIN-HALCRO and MCKENNEY voting no by proxy.

Motion: REP. LAKE moved that SB 120 BE AMENDED.

EXHIBIT (edh62a03)

Discussion:

REP. LAKE explained his amendment, attached as Exhibit 3.

Eddye McClure clarified Exhibit 3 and defined critical need personnel for the Committee.

REP. FRITZ asked Ms. McClure if a Superintendent could go anywhere, but the others could only go to areas of critical need.

Ms. McClure responded that teachers could only go, under contract with a private entity, to those areas of critical need. She continued that Superintendents would be able to go anywhere they were needed.

REP. FRITZ asked REP. LEHMAN if the amendment clearly favored administrators. **REP. LEHMAN** responded that it did.

REP. BALLANTYNE asked Ms. McClure if the individuals would have to be certified and if so by whom. **Ms. McClure** explained that to the best of her knowledge the school board would certify the individuals.

REP. LEHMAN asked Ms. McClure if there was anything presently in statute that would allow a person to teach in a critical need area without a certificate. **Ms. McClure** responded that there was nothing in statute at the present time.

REP. GIBSON stated that she felt that the amendment made the bill unacceptable.

REP. BRANAE expressed his concerns and stated that he could not vote for the amendment.

REP. LEHMAN explained that the amendment would open up a whole new area of problems. He continued that he felt that certification of teachers was important.

REP. FRITZ declared that the amendment would totally undermine the Office of Public Instruction and present standards.

CHAIRMAN ANDERSEN spoke in opposition to the amendment.

REP. LAKE closed on his amendments and explained his reasons for the amendments and gave an example.

CHAIRMAN ANDERSEN asked Steve Meloy if the Board of Public Education had allowed a waiver to an uncertified art teacher to teach that class with the stipulation that she would become certified in a certain amount of time. Mr. Meloy responded that he was not aware of that situation. He went on to say that what the Board of Public Education may have done was grant a provisional license under a certain set of requirements that the teacher meet to maintain a provisional license.

Vote: Motion failed 3-11 by roll call vote with REPS. JACKSON, LAKE and WAGMAN voting aye and REPS. MCKENNEY and GALVIN-HALCRO voting no by proxy.

Back on the bill as presented.

Discussion:

REP. GIBSON spoke in opposition to the bill and discussed its many problems.

REP. BALLANTYNE commented on his concerns regarding the bill.

REP. JACKSON spoke in support of SB 120 and how it would help the school districts. He stated his reasons for supporting the use of private entities.

REP. BRANAE remarked on the major problems he saw with the bill.

REP. FRITZ explained she felt that SB 120 would cause serious damage. She continued that it would undermine standards and interfere with collective bargaining.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 28}

REP. LEHMAN stated that he would not vote for SB 120. He went on to say that the idea of private entities bothered him and that the bill was mainly addressing administrators.

Vote: Motion that SB 120 BE CONCURRED IN failed 2-12 by roll call vote with REPS. JACKSON and LAKE voting aye and REPS. GALVIN-HALCRO and MCKENNEY voting no by proxy.

REP. BIXBY made a point of personal privilege.

Motion/Vote: REP. LAWSON moved that THE VOTE BE REVERSED and SB 120 BE TABLED. Motion carried 14-0 by voice vote.

REP. WAGMAN made a point of personal privilege.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 7.2}

ADJOURNMENT

Adjournment: 4:50 P.M.

REP. JOAN ANDERSEN, Chairman

MARI PREWETT, Secretary

JA/MP

EXHIBIT (edh62aad)